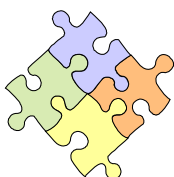


IMPACT ASSESSMENT

Scotland

Cluster 27: Buckie, Elgin

Location	Phoenix House, Elgin, IV30 1QL.
Original Proposal	To withdraw from Phoenix House and relocate staff to other HMRC offices within reasonable daily travel.
Decision	HMRC does not expect to fully vacate Phoenix House before spring 2010.
Risks/Issues	<p>Staff are unlikely to be able to reach the nearest long term location within reasonable daily travel.</p> <p>Risk to HMRC meeting its efficiency targets if decision not implemented.</p>
Mitigating Action	<p>Examination of individual circumstances and available options will be undertaken through one to one discussions between managers and staff. No staff will be required to relocate beyond reasonable daily travel.</p> <p>Where necessary business units will consider the scope to feed back work while portable work is available and the office remains viable.</p>



Issued by Workforce Change
4 December 2008

IMPACT ASSESSMENT

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1 **SUMMARY**

1.1. **Background**

HMRC proposes to rationalise its estate in Scotland with the aim of making more effective and efficient use of office space and to integrate teams within and across business units. As part of this proposal HMRC has reviewed its business requirement to remain at office buildings in Cluster 27. This cluster contains the office buildings in Buckie and Elgin. The review has identified that there is no long term requirement to retain Phoenix House, Elgin.

1.2. **Enquiry Centre Customers**

Enquiry centre services are not provided at Phoenix House. The impact on customers is expected to be minimal.

1.3. **Socio-economic**

The Phoenix House office is situated within the local authority of Moray. The unemployment rate for Moray is 4.0%, against the UK national average of 5.3%. There are around 2,615 employers in Moray employing approximately 33,800 people. There are four HMRC employees located at Phoenix House, which is less than 1% of those employed within the local authority area. It is therefore reasonable to infer that the local economy is not dependent on the HMRC presence at this office.

1.4. **Staff**

Phoenix House accommodates a total of four staff. During consultation, concerns around additional travelling for staff have been raised. Further examination of individual circumstances will be undertaken through one to one discussions between managers and staff. Where a staff member is unable to relocate to the nearest long term HMRC office within reasonable daily travel managers will discuss other available options with them. No staff will be required to relocate beyond reasonable daily travel.

1.5. **Staff Diversity**

All staff at this office are male and work full time. Data on ethnicity and disability has been omitted in line with HMRC policy on disclosure of sensitive data.

Workforce Change has undertaken Equality Impact Assessment (EQIA) work on the proposal for Cluster 27. No significant risks with regard to equality issues have been identified and wider public consultation has not been considered necessary at this stage. Individuals will have an opportunity to raise any particular concerns with their manager during the one to one discussions. Mitigating actions will be considered where risks have been identified with regard to equality issues. The EQIA findings for Phoenix House can be found at Appendix A.

1.6. **Business Units**

The **Local Compliance** business unit does not intend to retain a long term presence in this location and will be in discussion with staff about their options.

1.7. Finance

The vacation of this office will contribute to estimated estate savings of £24m in Scotland between 2007 and 2012.

2 OFFICE PROPOSAL AND BUSINESS PLANS

2.1. Office Proposal

HMRC proposes to rationalise its estate in the Scotland with the aim of making more effective and efficient use of office space and bringing teams closer together within and across business units. It is proposed to withdraw from Phoenix House.

2.2. Business Plans

Phoenix House is occupied by staff from the **Local Compliance** business unit.

Local Compliance does not intend to retain a long term presence in this location and will be in discussion with staff about their options.

3 ENQUIRY CENTRE CUSTOMER IMPACT

3.1. Enquiry Centre Summary

Enquiry centre services are not provided at Phoenix House. The impact on customers is expected to be minimal.

4 SOCIO-ECONOMIC IMPACT

4.1. Member of Parliament and Constituency

Phoenix House is within the parliamentary constituency of Moray. The Member of Parliament is Angus Robertson (Scottish National)¹.

Angus Robertson wrote to the Financial Secretary to the Treasury, raising concerns about the proposed office closure and the potential impact on the local economy, and asking whether there have been discussions about co-location and working with other public sector services.

4.2. Local Economy

Phoenix House is situated within the local authority of Moray. The unemployment rate for Moray is 4.0%, against the UK national average of 5.3%. The table below shows the relative job density for Moray, Scotland and the UK as a whole. Job density is a ratio of total jobs to working-age population and provides a measure of the economic health of an area. Total jobs includes employees, self-employed, government supported trainees and HM Forces².

¹ Source: www.parliament.uk

² Source: www.nomisweb.co.uk. Unemployment rates are for the period October 06 – September 07. Job density relates to 2005.

Table 1 - Job Density

Moray	Scotland	UK
0.85	0.84	0.84

There are around 2,615 employers in Moray employing approximately 33,800 people. There are four HMRC employees located at Phoenix House, which is less than 1% of those employed within the local authority area. It is therefore reasonable to infer that the local economy is not dependent on the HMRC presence at this office.

There may be some impact on local businesses which at present benefit from the custom of HMRC staff based at Phoenix House. Any negative impact that may be caused by HMRC withdrawal from this location is expected to be temporary, lasting until such time as the building is reoccupied by another employer.

4.3. Sustainable Development

The intention to vacate Phoenix House assists HMRC in meeting its Sustainable Development Action Plan objective to provide office space of the right size and quality to meet long term business needs. Through the Sustainable Development Action Plan HMRC has also committed to improving the energy efficiency of all retained offices and the Corporate Responsibility Unit will work with Estates and Support Services and IMS to meet this objective.

4.4. Media Activity

There have been local and regional press articles around the proposed closure of Phoenix House and the potential job losses in the area.

4.5. External Engagement

On 11 and 13 June 2008 Workforce Change wrote to 16 local authorities and two town councils in Scotland about the proposals for the cluster and individual locations. A six week period was provided for responses. Comments were sought on subjects including local/regional economic factors, regeneration plans, wider employer activity and plans for new or improved transport links. Eight responses were received from Fife Council, Falkirk Council, Scottish Borders Council, Inverclyde Council, Dundee City Council, The Highland Council, Aberdeenshire Council and Perth and Kinross Council. Comments were also received from Greenock Chamber of Commerce, Caithness Partnership and Highlands and Islands Enterprise. Responses received included comments on the economic impact of the proposed closures in areas that have suffered from many job losses in recent years. All concerns raised have been taken into account in making our recommendations to Ministers.

5 **STAFF & STAFF DIVERSITY IMPACT**

5.1. Business Unit Headcount

The table below shows the business units occupying Phoenix House³.

Table 2 - Staff in post by business unit

Business Unit	Staff numbers
Local Compliance	4
TOTAL	4

5.2. Staff Diversity

The following diversity data has been provided by background HR systems. Diversity data held by HMRC for staff at Phoenix House relating to age, disability and ethnicity has been omitted in line with HMRC policy on disclosure of sensitive data⁴.

Table 3 - Staff diversity

Gender	%	Working Pattern	%	Part Time Gender	%
Male	100	Full Time	100	Male	N/A
Female	0	Part Time	0	Female	N/A

5.3. Equality Impact Assessment

Workforce Change has undertaken EQIA activity on the proposal for Cluster 27. No significant risks with regard to equality issues have been identified and wider public consultation has not been considered necessary at this stage. Examination of individual circumstances will be undertaken through one to one discussions between managers and staff. Mitigating action will be considered where impacts have been identified with regard to equality issues. The EQIA findings for Phoenix House can be found at Appendix A.

5.4. Staff Consultation

HMRC undertook an eight week period of consultation between June 2008 and August 2008, inviting staff and unions to comment on the proposal to reshape HMRC within Cluster 27. During this period three responses were received, representing the views of all staff in Buckie and Elgin. Two of the responses were received from the trade union, PCS on behalf of all HMRC staff in Cluster 27.

The Summary Report of the Consultation Responses for Cluster 27 was published on the staff intranet site on 15 October 2008.

³ Source: Latest headcount data provided by HMRC business units

⁴ Source: HR data at 01/07/08

Comments were constructive and covered a range of topics, the main themes being travel and the impact to both the business and the customer in relocating work out of these offices.

The majority of comments focused on travel related issues, including the lack of alternative HMRC offices within reasonable daily travel and the limited opportunities for relocation to other Government Departments in the area. Respondents also commented on the specialist knowledge and expertise of the staff in this Cluster and raised concerns that if they were unable to relocate, their loss to the Department would impact on customer service and business delivery.

Business managers will meet with every individual affected by changes and discuss the implications for them and their options.

6 RELOCATION OPTIONS FOR STAFF

Local Compliance does not intend to retain a long term presence in this location and will be in discussion with staff about their options.

The nearest long term HMRC locations are likely to be outside reasonable daily travel for all or most staff.

Support is available for staff through the [Redeployment Support Programme](#).

6.1. Other Government Departments

The expectation is that staff will relocate within HMRC. However opportunities may exist to transfer to other Government Departments and HMRC has a support package of measures, both financial and personal, to facilitate such transfers. Other Government Departments located in the area include⁵:

- Department for Work and Pensions
- Forestry Commission
- Ministry of Defence
- The Scottish Government.

7 ESTATES & FINANCE

7.1. Estate Information

HMRC occupies Phoenix House under the contract with Mapeley. Phoenix House has on-site car parking available for 24 vehicles with an additional four designated disabled bays.

7.2. Finance

The vacation of this office will contribute to estimated estate savings of £24m in Scotland between 2007 and 2012.

⁵ Source: OGC data at April 2008

7.3. Information Management Services (IMS)

IMS has been engaged in the detailed consideration of the proposal for Phoenix House. IMS will work closely with Estates & Support Services and business unit managers to provide the IT and telephony requirements for any staff required to move.

APPENDIX A: EQUALITY IMPACT ASSESSMENT – PHOENIX HOUSE, ELGIN

Equality Impact Assessment (EQIA) work is undertaken to determine which policies or activities, for staff and customers, should be subject to a wider EQIA public consultation. This work is ongoing and is updated whenever there is a major change to proposals or plans. Once a decision has been made to withdraw from a specific office an EQIA document is prepared with reference to that office. This EQIA focuses on the withdrawal from Phoenix House, Elgin which is part of Cluster 27. This cluster contains the office buildings in Buckie and Elgin.

Background to proposal

1. Proposal	<p>On 11 June 2008 Workforce Change (WFC) commenced an eight week period of staff consultation on a proposal to reshape HMRC within Cluster 27. Part of the proposal for Cluster 27 was to withdraw from Phoenix House.</p> <p>The map at Appendix B shows the position of the offices in Cluster 27.</p>
2. Date implemented or planned to come into effect	HMRC does not expect to fully vacate Phoenix House before spring 2010.
3. Programme Owner	WFC acting with a devolved authority from Directors and adopting a pooled sovereignty approach, led by a Programme Board. This group includes representatives from key stakeholders and business units.
4. Programme Manager	The Regional Review Programme Manager within WFC.
5. Who in the Department manages the day to day function?	Implementation Teams will have primary responsibility for the delivery of changes to the Cluster 27 estate and for management of local redeployment and relocation issues. Implementation Teams are usually led by a senior manager from the majority business unit and include representatives from Estates & Support Services (ESS), People Function and the

	other business units affected.
6. Why is this proposal being considered? Provide a description of aims of proposal (purpose, who benefits and how, etc)	<p>HMRC is required to make estate savings under the Comprehensive Spending Reviews 2004 and 2007. The Cluster 27 Proposal was one of a series of consultations on the reshaping of HMRC. The overall aim is to deliver a more efficient and effective service to businesses and individuals.</p> <p>The decisions for Cluster 27 will deliver more effective utilisation of available HMRC office space contributing to departmental efficiency savings.</p>
7. a. Give full details of all the internal and external stakeholders of this proposed action	<p>Internal – staff, managers, business unit planners, trade unions, WFC, People Function, IMS, CaM, ESS.</p> <p>External – Financial Secretary to the Treasury, local MPs, customers, Mapeley, ASPIRE, local authorities, selected trade bodies.</p>
7. b. How will you work with stakeholders in implementing this function?	<p>Internal – HMRC consults formally with internal stakeholders during the feasibility stage.</p> <p>External – HMRC engages with the Financial Secretary to the Treasury and MPs during the feasibility stage and also with local authorities and selected trade bodies, where appropriate.</p>
8. Does this proposal interact with any others? If so, how? Please comment on connected proposals and describe the relationship	<p>The proposal is part of the Regional Review Programme (RRP), which is designed to deliver HMRC’s restructuring ambitions as quickly and cost-effectively as possible. The RRP supports business unit strategic planning and the Estates Consolidation Programme, working towards meeting HMRC efficiency targets for people (headcount) and estate.</p>
9. How will the RRP impact directly those staff who cannot travel to a more distant location?	<p>Businesses will consider the scope to feed back work to staff affected by this proposal, while portable work is available and the office remains viable. The Department is committed to measures which will particularly assist staff who are not within reasonable daily travel of any other location.</p>

	<p>HMRC has introduced an intranet-based Options Assessment questionnaire which allows staff to indicate which redeployment opportunities they might consider if available. This information provides business planners and Implementation Teams with a starting point to help identify solutions for staff who may not be able to move. The Options Assessment includes a list of measures which may be available to staff, such as:</p> <ul style="list-style-type: none"> ▪ Transfers into other HMRC business units ▪ Paid moves of home for pre-surplus staff to fill specialised posts that cannot be filled locally ▪ Transfers into other Government Departments, including a compensation scheme for staff transferring to other Departments with lower pay ▪ A 'public sector release scheme' offering grants to staff leaving to train for frontline public sector jobs such as teaching or nursing ▪ Flexible Early Severance ▪ Approved Early Retirement schemes. <p>The HR Job Centre Team works with Businesses to redeploy pre-surplus staff using the PMMA (Pre-Surplus Managed Moves) process. Support is also available for staff through the Redeployment Support Programme.</p>
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Potential Equality Impacts

This section considers equality impacts and actions to be taken to reduce/mitigate any adverse impacts on staff. In the announcement on 11 June 2008 staff were encouraged to consider what impact the planned changes might have on their own future work and travel patterns and speak with managers if they anticipated any difficulties. Any individual concerns will be considered further in one to one discussions between managers and staff. Managers will work with staff to consider personal circumstances and any necessary mitigating action.

Consideration given to:	Staff	Mitigating Action
1. Racial groups	<p>Data on ethnicity has been omitted in line with HMRC policy on disclosure of sensitive data.</p> <p>For all HMRC offices in Scotland 1% have declared that they belong to an ethnic minority background. The HMRC national total is 4%⁶.</p> <p>No issues specific to racial groups have been raised in the staff consultation process.</p> <p>At this stage no potential adverse impacts have been identified that would disproportionately affect staff due to their racial group.</p>	None required at this stage.
2. Those with a disability	<p>Data on disability has been omitted in line with HMRC policy on disclosure of sensitive data.</p> <p>For all HMRC offices in Scotland 6% have declared that they have a disability. The HMRC national total is 7%.</p> <p>No issues specific to disability have been raised in the staff consultation process.</p>	Staff and managers will engage in one to one discussions regarding the specific needs of each staff member and will make reasonable adjustments

⁶ All diversity data quoted in this EQIA is provided by background HR systems as at 01/07/08 and staff completion is not mandatory. The information is therefore incomplete for ethnicity and disability.

Consideration given to:	Staff	Mitigating Action
	<p>The potential impact on those with a disability is dependent on personal circumstances. Known impacts to this group arising from previous relocations are:</p> <ul style="list-style-type: none"> ▪ Staff who require specialist IT equipment or reasonable adjustment adaptations may need to discuss their requirements/needs with their manager ▪ Staff relocating to a new building may experience changes to their home to work journeys. If travelling by public transport there may be an adverse impact on staff with a disability if the public transport services available to the new location are not adequate ▪ Disabled staff travelling to work by car may be adversely affected if their current location provides disabled parking facilities and these are not available in the new location ▪ Disabled staff requiring re-training may be adversely impacted if training courses require overnight stays or long distance travel. 	<p>where required.</p> <p>Managers will discuss these issues with staff if they arise and seek the support and guidance of HR and Diversity specialists.</p> <p>Managers may need to engage with 'Access to Work' to identify reasonable solutions and assistance with journeys.</p>
<p>3. Gender (including transsexual/transgender)</p>	<p>All staff are recorded as being male.</p> <p>The HMRC total for the Scotland is 59% female to 41% male. The HMRC national total is 58% female to 42% male.</p> <p>All of the staff at Phoenix House work full-time. Potential impacts arising to those staff (full and part-time) with care responsibilities are noted in section 6 – 'Those with dependants'.</p> <p>No issues specific to gender have been raised in the staff consultation process.</p> <p>At this stage no potential adverse impacts have been identified that would</p>	<p>None required at this stage.</p>

Consideration given to:	Staff	Mitigating Action
	disproportionately affect staff due to their gender.	
4. Age	<p>Data on age has been omitted in line with HMRC policy on disclosure of sensitive data.</p> <p>No concerns specific to age were raised in the staff consultation process.</p> <p>At this stage no potential adverse impacts have been identified that would disproportionately affect staff due to their age.</p>	None required at this stage.
5. Marital status	<p>HMRC holds information on marital status for superannuation purposes only. This data has not been analysed within this EQIA.</p> <p>No issues specific to marital status were raised during staff consultation.</p> <p>At this stage no potential adverse impacts have been identified that would disproportionately affect staff due to their marital status.</p>	None required at this stage.
6. Those with dependants	<p>HMRC gathers some information on staff with dependants via the staff survey. Completion is voluntary.</p> <p>During staff consultation respondents with care responsibilities were concerned that there was no relocation option within reasonable daily travel. They stated that they would not find other employment in the area with similar terms and conditions if they were to leave the department.</p> <p>Other known impacts arising from previous relocations include the following:</p> <ul style="list-style-type: none"> ▪ Increased travelling times for staff with dependants may cause employees to incur additional care costs or require changes to working 	<p>Managers will work with staff to consider personal circumstances and any necessary mitigating action.</p> <p>HMRC provides childcare vouchers to assist staff with childcare costs.</p> <p>No staff will be required to</p>

Consideration given to:	Staff	Mitigating Action
	<p>patterns to balance work/life commitments</p> <ul style="list-style-type: none"> ▪ Daily Travel Assistance, paid to assist staff with additional travel costs, is taxable and impacts on the payment of tax credits ▪ A change of duties may require staff with dependants to change working patterns or hours to suit business needs. 	<p>relocate beyond reasonable daily travel.</p>
<p>7. Sexual orientation</p>	<p>HMRC gathers some information on the sexual orientation of staff via the staff survey. Completion is voluntary.</p> <p>No concerns specific to sexual orientation were raised in the staff consultation process.</p> <p>It is noted that a potential adverse impact may arise if staff relocate to an office where they experience changes to the network/support structure and facilities currently available.</p> <p>At this stage no potential adverse impacts have been identified that would disproportionately affect staff due to their sexual orientation.</p>	<p>None required at this stage.</p>
<p>8. Religion and beliefs</p>	<p>HMRC gathers some information on the religion and beliefs of staff via the staff survey. Completion is voluntary.</p> <p>The Diversity Network Coordinator previously expressed concerns that the estate rationalisation could affect the availability of 'All faith rooms'.</p> <p>It is noted that a potential adverse impact may arise if staff relocate to an office where they experience changes to the network/support structure and facilities currently available.</p> <p>At this stage no potential adverse impacts have been identified that would</p>	<p>HMRC policy is to provide 'All faith rooms' on request where a dedicated room is not available.</p> <p>Managers will work with staff to consider personal circumstances and any necessary mitigating</p>

Consideration given to:	Staff	Mitigating Action
	disproportionately affect staff due to their religion and beliefs.	action.
9. Should any of the people in the categories listed be consulted at this time?	Not at this stage – in due course all staff will have one to one discussions with their managers to establish individual impacts and consider appropriate mitigating action.	

Comments on proposed actions

Consideration given to:	Comments on action to be taken to promote equality of opportunities and good relations for each of the diverse groups, alternative actions and communications of different impacts.
<p>1. Categories</p> <ul style="list-style-type: none"> ▪ Racial groups ▪ Those with a disability ▪ Gender (including transsexual/transgender) ▪ Age ▪ Marital status ▪ Those with dependants ▪ Sexual orientation ▪ Religion and beliefs 	<p>HMRC is an equal opportunities employer and offers support to staff via the following policies, schemes and contacts:</p> <ul style="list-style-type: none"> ▪ Race Equality Scheme ▪ Disability Equality Scheme ▪ Gender Equality Scheme ▪ Diversity Network Coordinators/Staff Networks (race, disability, gender, age, alternative working patterns, lesbian, gay or bi-sexual, religion and beliefs) ▪ Flexible Working Patterns (offering flexible working hours, alternative working patterns, part-time and term-time contracts) ▪ Provision of facilities for nursing mothers ▪ Provision of facilities for all faiths

<p>Consideration given to:</p>	<p>Comments on action to be taken to promote equality of opportunities and good relations for each of the diverse groups, alternative actions and communications of different impacts.</p>
	<p>Where agreement is reached that it is unreasonable for an individual to relocate, managers will consider alternative solutions such as a transfer into another business unit, home working (subject to business requirement) or redeployment to other Government Departments within the locality.</p>
<p>2. Explain how you plan to monitor equality issues following announcement of decisions</p>	<p>Managers will discuss relocation with staff to establish whether or not relocation is reasonable and within reasonable daily travel. The conclusions from these discussions will be considered and moderated by a moderating group (consisting of senior managers advised by HR specialists) to ensure there is consistency between managers within the decision making process. WFC will work with business unit managers and HR to monitor any objections/grievances/appeals received to establish if the proposal is disproportionately impacting on any of the groups assessed.</p>
<p>3. Lessons learned and any other comments</p>	<p>All learning from this project will be taken forward to similar future projects under consideration.</p>
<p>4. If having considered all relevant factors you concluded that there may be an impact that you are unable to mitigate with policy or procedural changes, please give full details including why mitigating action cannot be provided</p>	<p>All impacts identified from this assessment can be addressed by the mitigating actions discussed.</p>
<p>5. Requirement for wider public consultation on Equality Impact</p>	<p>Wider public consultation will not be required at this stage. Mitigating action can be provided for the potential and known impacts identified. Overall, the extent of any impacts will be dependent</p>

Consideration given to:	Comments on action to be taken to promote equality of opportunities and good relations for each of the diverse groups, alternative actions and communications of different impacts.
Assessment (EQIA) work	on personal circumstances and these will be identified in discussions between managers and staff.

Customer Impact

This section considers equality impacts and actions to be taken to reduce/mitigate any adverse impacts on customers.

Consideration given to	Enquiry Centre Customers	Mitigating Action
<ul style="list-style-type: none"> ▪ Racial groups ▪ Those with a disability ▪ Gender (including transsexual/transgender) ▪ Age ▪ Marital status ▪ Those with dependants ▪ Sexual orientation ▪ Religion and beliefs. 	<p>There are no enquiry centre services provided from Phoenix House.</p> <p>Any impact on enquiry centre customers is expected to be minimal.</p>	<p>None required at this stage.</p>

APPENDIX B: MAP OF OFFICES

